



May 2006

Dear Member:

Effective July 1, 2006, the PERS Choice and PERSCare prescription drug program will be managed by Medco Health Solutions, Inc. (Medco). In order to assist you with the transition from Caremark to Medco, we have enclosed an Addendum to the 2006 Evidence of Coverage booklet, as well as "Transition Highlights" that contain key dates and activities for the pharmacy transition.

There will be no change to the 2006 prescription drug benefit coverage (i.e., copayment structure or days supply). However, Medco's extensive formulary may be slightly different than Caremark's Preferred Drug List. Your plan has selected a list of preferred drugs, called the Preferred Prescriptions® Formularly. This preferred drug list may differ slightly from the Caremark formulary. In addition, there are more than 40,000 pharmacies that participate in the Medco network throughout the United States and U.S. territories.

Listed below are important dates regarding the transition:

- May 1, 2006 You can contact Medco Member Services toll-free at 1-800-939-7091, with questions about Medco's Formulary Drug List, the location of a participating retail pharmacy, or other information that will assist you with the transition of your prescription drug benefits.
- **June 1, 2006** You can access Medco's Web site at www.medco.com to obtain general information about PERSCare and PERS Choice prescription drug benefits, as well as view Medco's Formulary Drug list and a list of retail pharmacy networks.
- July 1, 2006 Medco Member Services will be able to answer questions regarding your
 personal prescription drug information and fill new or existing prescriptions through their
 retail pharmacy network or mail order pharmacy. You will be able to access your
 personal prescription drug information and order your prescription drugs on Medco's
 Web site using a personal and confidential pin number.

CalPERS is confident this transition will cause little, if any, disruption to the way that you access your prescription drug benefits.

Sincerely,

Beverly Craig, Chief Self-Funded and Long-Term Care Program

Enclosures